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October 20, 2003

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## **Ex Parte**

### ***Filed Electronically***

Marlene H. Dortch, Secretary  
Office of the Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

**Re: CC Docket No. 95-116**  
**EX PARTE NOTICE**

Dear Ms. Dortch:

This letter is to memorialize for the record in the above referenced docket the meeting on October 17, 2003 among Guy Miller, John Jones, Jeff Glover and Fran Runkel of CenturyTel, Inc., myself representing CenturyTel, Inc., and the following Federal Communications Commission personnel: William Maher, Carol Matthey, Eric Einhorn and Cheryl Callahan of the Wireline Competition Bureau.

During this meeting, the attendees discussed the impact of wireless local number portability upon CenturyTel and other rural telephone companies, including: (1) the high costs and complexities of wireline-wireless local number portability; (2) the likelihood that of dropped calls from the customers of small incumbent local exchange carriers (LECs) to wireless customers whose numbers have been ported; and (3) current problems with dropped calls originating from rural LECs in areas where thousands-block pooling has been implemented.

With respect to intermodal (i.e., wireline-wireless) local number portability, the CenturyTel representatives discussed the high costs of porting wireline telephone numbers outside wireline rate centers, and showed that such costs would result in customer rate increases and plant investment cut-backs that would outweigh any benefits received by rural customers. In light of such cost-benefit imbalances, as well as accompanying operational complexities and intercarrier compensation issues, CenturyTel urged the Commission not to mandate wireline-wireless local

number portability via a declaratory ruling, but rather to conduct a full-fledged rulemaking to allow a full airing of the issues and evidence.

CenturyTel also discussed the problem of uncompleted calls from customers in rural wireline exchanges without local number portability capabilities to wireless customers whose number has been ported to another wireless service provider. Because wireless local number portability is being implemented for the benefit of wireless competition, CenturyTel urged that the wireless customer's former wireless service provider be required to perform the local number portability database query and transit the call to the new wireless service provider, without charge to CenturyTel or its customers.

Finally, CenturyTel discussed similar dropped call problems where NeuStar has assigned 1000-block pooled numbers without verification that such pooling can be handled by all switches in a particular market. In particular, calls originating from rural LECs exempted from pooling requirements have been "discarded" when sent to carriers that originally owned the NXX codes from which the 1000-number blocks were assigned.

CenturyTel also distributed a handout detailing these local number portability issues. This handout is attached.

Consistent with section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, we are filing one electronic copy of this notice in the above-captioned proceeding and request that you place it in the appropriate record of that proceeding. Please direct any questions concerning the above matter to the undersigned at (202) 828-5528.

Sincerely,

/s/ Gerard J. Duffy  
Gerard J. Duffy

GJD/dwe

cc: Eric Einhorn, FCC  
Carol Matthey, FCC  
Bill Maher, FCC  
Cheryl Callahan, FCC

## ISSUE # 1

### Wireline to Wireless Local Number Portability Requests

#### Request:

**CenturyTel believes that Intermodal LNP requires further analysis in an FCC rulemaking proceeding to ensure that call completion, correct call routing and cost recovery issues are properly addressed.**

#### Discussion:

CenturyTel has received requests from Wireless Service Providers (WSPs) such as T-Mobile, Verizon Wireless, Sprint PCS and Western Wireless for Local Number Portability. These requests demand LNP in all CenturyTel switches by November 24, 2003 or within six months of the demand letter. To date, all WSP requests fail to comply with current FCC rules and regulations and are therefore invalid.

1) Per FCC LNP Orders, BFRs must be a “specific request” to a specific ILEC for the deployment of number portability in a particular switch(s) and may not list wire centers that are not currently in the competitor’s serving area. Many CMRS letters that CenturyTel has been receiving seem to identify every MSA as a potential porting area and either make no reference to any specific switches or list every switch in the MSA regardless of the ILEC owner and including switches that are not in the direct (non roaming) serving area of the requesting WSP.<sup>1</sup>

2) BFRs can only be sent by a WSP with an interconnection agreement or a request for an agreement in place and where LNP has been addressed within the agreement.<sup>2</sup>

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<sup>1</sup> A continuing concern for any ILEC is the ability of a competitor to initiate a BFR for LNP in a switch that the competitor has no imminent intention to serve. An “unethical” competitor can initiate such requests solely for competitive advantage, namely to cause an ILEC to focus resources away from the competitor’s true area of interest and to cause financial harm to an ILEC by forcing the expenditure of capital that cannot be recovered in the foreseeable future.

<sup>2</sup> It appears that the FCC has found so in its Order on the Qwest Declaratory Ruling Petition concerning Section 252 agreements. In the Order, the FCC found that any “agreement that creates an *ongoing* obligation pertaining to resale, number portability, dialing parity, access to rights-of-way, reciprocal compensation, interconnection, unbundled network elements, or collocation is an interconnection agreement that must be filed pursuant to section 252(a)(1). See, *In the Matter of Qwest Communications International Inc. Petition for Declaratory Ruling on the Scope of the Duty to File and Obtain Prior Approval of Negotiated Contractual Arrangements under Section 252(a)(1)*, Memorandum Opinion and Order, 17 FCC Rcd. 19337, 19340-41 (2002). Further, the LNP obligation is documented in Section 251 of the Telecom Act (“Interconnection”) and further codified as an obligation in subpart 203 of Part 51 of Title 47 of the US Code (“Interconnection”). The duty to provide LNP is actually stipulated in 251 (b) (2). Subsection (b) covers all the “non exempted” interconnection issues including LNP. 251 (c) (1) further states that ILECs have “The duty to negotiate in good faith in accordance with section 252 of this title the particular terms and conditions of agreements to fulfill the duties described in paragraphs (1) through (5) of subsection (b) of this section and this subsection.” For wireline carriers, there is no other provision to legally facilitate a subsection (b) duty through any means other than negotiation of an agreement that also specifies how the carriers will

3) LNP with a WSP is limited to the rate center geographic restrictions currently in effect with any LNP between two local providers.<sup>3</sup> The location porting requested by WSPs is both contrary to current FCC regulation and anticompetitive in that it provides a competitive advantage to wireless over wireline competitors.

### **Total Company LNP Deployment Issue:**

Most rural telephone companies, including CenturyTel, do not provide LNP except where they have received targeted bona fide requests for rate center porting. In small exchanges, one switch may serve fewer than 5000 customers and LNP recovery would be burdensome to consumers. CenturyTel has run a few preliminary recovery calculations and found end-user monthly assessments ranging from \$0.32 to \$0.89 per month per residential line and \$2.92 to \$8.05 per business trunk.

Full LNP capability in all CenturyTel switches would require a significant capital outlay estimated to exceed \$10 Million for software plus undetermined costs for hardware and manpower.

In addition to the initial costs, the following to-be-determined ongoing LNP and SS7 costs or resources will be required of CenturyTel:

- To maintain the required network infrastructure, it will require 24 x 7 monitoring and frequent network upgrades.
- LNP-capable switching will also require contracts with tandem providers for default routing in

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interconnect. CenturyTel understands that even indirect connections are to be negotiated in an interconnection agreement. The CMRS delivery of traffic via transiting and without an agreement does not comply with Section 251 as codified in USC 47 Parts 20 and 51. The FCC acknowledges this understanding in the Second Report and Order where it states "We anticipate that local dialing parity will be achieved upon implementation of the number portability and interconnection requirements of section 251."

The recent Wireless Bureau finding that interconnection agreements were not necessary between two porting wireless carriers does not translate into the wireline to wireless world. Wireless carriers can exchange calls without physical connections and have roaming agreements that are a CMRS variation of interconnection agreements.

<sup>3</sup> In the FCC's First Report and Order on Number Portability, it was stated that "[t]he term 'number portability' means the ability of users of telecommunications services to retain, *at the same location*, existing telecommunications numbers..." In the Second Report and Order, the FCC states "Portability is technically *limited to rate center/rate district* boundaries of the incumbent LEC due to rating/routing concerns." This was codified at Section 52.26 of the Commission's rules. By FCC regulation, therefore, porting is restricted to customers who exist and remain within the original LEC rate center.

the event that a WSP does not transit a ported call or its infrastructure should fail or any LNP

routing component is brought down for maintenance.

-- The LNP database will need to be continually updated with the latest list of ported numbers.

-- In addition to database updates costs, CenturyTel will be required to contract with a WSP LNP

database provider or to develop its own database.

CenturyTel also believes that intercarrier compensation issues must be addressed before location porting is mandated since such porting would affect currently billed access revenues.

### **CenturyTel's Recommendation**

**CenturyTel urges the FCC to open a rulemaking proceeding rather than issuing a declaratory ruling to allow the Commission to properly examine the issues related to customer impact, cost, efficiency, administrative simplicity and intrastate rate structures are taken into account.**

## **Issue # 2 - Wireless to Wireless Portability Impact to CenturyTel's Local network on November 24, 2003**

### **Request:**

**When a Wireless Service Provider (WSP) ports numbers to another WSP within a CenturyTel Local rate center and CenturyTel has direct connection to the porting WSP, then the FCC must require the WSP to perform the LNP database query and transiting to the alternative WSP.**

**The cost associated with LNP query and transiting should be the responsibility of the porting WSP.**

**This obligation must be required of the porting WSP until such time that CenturyTel is required to provide LNP in CenturyTel's central office switch.**

### **Consequence**

If a direct trunked WSP doesn't provide LNP query and transiting, CenturyTel's customers will be unable to complete a call to the ported wireless number.<sup>4</sup>

### **Examples (Scenarios illustrated on the attached diagram)**

CenturyTel has no way of knowing what numbers, if any, have been ported from one WSP to another after the November 24<sup>th</sup> implementation date in rural areas.

Call Scenario 1 - A call from a CenturyTel customer to a Verizon Wireless NPANXX that has been ported to Sprint PCS customer. CenturyTel will route call over Verizon Wireless trunk group.

Result - Call may fail unless Verizon does the LNP query and transit call to Sprint PCS customer.<sup>5</sup>

Call Scenario 2 – A call from a CenturyTel customer to a ALLTEL ported number to a Airtouch customer that is routed through SBC tandem.

Result - Call completes with CenturyTel assessed LNP query (dip) and transiting charges from

SBC. If an interconnection agreement is properly in place, Airtouch will invoice CenturyTel for Reciprocal Compensation and CenturyTel will be unable to validate this billing.

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<sup>4</sup> WSPs should not be allowed to use this situation to declare that indirect trunking should be the preferred method for exchanging traffic with an RLEC. Indirect trunking has allowed many WSPs to avoid paying RLECs for the use of the local network to terminate calls. RLECs need direct trunking where possible to ensure that WSPs pay appropriate reciprocal compensation for the use of the RLEC network.

<sup>5</sup> This same failure occurs in a CLEC to CLEC porting situation with direct trunking but such a situation has been so rare in rural territory that we did not previously uncover this issue.

If local calling fails for CenturyTel customers dialing a WSP number, CenturyTel's options will be to 1) install LNP capability in all its switches that have direct connections or 2) route all wireline to wireless traffic through a common access tandem. Both network alternatives will increase CenturyTel's cost of providing service to its customers as a result of WSP to WSP LNP.

### LNP Software Costs

CenturyTel has determined that it has 65 switches in 15 states with WSP direct connections. We estimate the LNP software cost to upgrade these switches to be \$3.8 million. We have not yet determined the hardware or LNP database query charges that would also be part of these network operation costs and become part of CenturyTel's cost of service for its local customers. In addition to an unplanned and unbudgeted capital outlay concern, CenturyTel is not legally able to recover any LNP costs until a CenturyTel customer has the ability to port to a competitive provider.<sup>6</sup> Even if CenturyTel were permitted to recover the costs via an end user charge, all of our landline end users would be paying this cost solely to benefit wireless customers.

### Rerouting through Access Tandem

CenturyTel will incur transiting costs and LNP query charges for all land to mobile traffic routed through a tandem provider. CenturyTel expects that it will have to pay \$0.005 per minute of use for each local call transited by a third party tandem provider plus an LNP query charge with a surcharge above costs for each call.

Rerouting land to mobile traffic through a common access Tandem switch default alternative quickly becomes expensive because ALL land to mobile traffic would need to be routed to a LNP capable tandem.

If the WSP provides LNP query and transiting, the volume of traffic that requires LNP query and transiting would be much less.

### **CenturyTel's Recommendation**

**Since the issue at hand is WSP to WSP porting only and it is WSP customers that will receive any benefit from porting, the FCC must require the WSP to perform the LNP database query and transiting to the alternative WSP.**

**The cost associated with an LNP query and transiting should be the responsibility of the porting WSP.**

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<sup>6</sup> In the described situations, CenturyTel has not received any LNP BFRs from a CLEC nor has CenturyTel received a valid BFR from a WSP (one that conforms to current FCC regulation).

## **Issue # 3 – 1000s Block Pooling Impact to CenturyTel's Local network**

### **Request:**

**When NeuStar assigns a 1000s block of pooled numbers in a market area, NeuStar does not first verify that 1000s block pooling can be handled by all switches in that market. There is no current requirement for NeuStar to do so.**

**CenturyTel requests that the FCC direct NeuStar to cease assigning 1000s blocks of numbers to market areas where LNP is not deployed in all local switches.**

### **Consequence**

As most recently reaffirmed in the 4<sup>th</sup> Report and Order, the FCC has exempted rural carriers from pooling until they have received a bona fide requests and LNP is implemented. NeuStar, however, assigns thousands-blocks of pooled numbers in market areas without first verifying that all switches in the market can handle pooling.

As with the previously described WSP to WSP porting issues, if an RLEC has not received a BFR for porting and implemented LNP capability, all calls to an NXX are sent to the CLEC or WSP who originally owned the NXX. If one or more 1000s blocks have been turned back to NeuStar by the original owner and NeuStar has reassigned a block to another competitor, calls to these numbers are not completing. Absent any official requirement to forward the 1000s block calls, the RLEC's competitors have chosen to "discard" the calls.

If local calling fails for CenturyTel customers dialing a pooled number, CenturyTel's options will be to 1) install LNP capability in all its switches in the affected markets or 2) route pooled NXX traffic through a common access tandem. Both network alternatives will increase CenturyTel's cost of providing service to its customers.

### **LNP Software Costs**

Installing LNP software to accommodate pooling assignments would result in a significant unplanned and unbudgeted capital outlay. CenturyTel's landline end users should not be required to pay this cost solely to make assignment practices simpler for NeuStar.

### **Rerouting through Access Tandem**

CenturyTel will incur transiting costs and LNP query charges for all pooled traffic routed through a tandem provider. CenturyTel expects that it will have to pay \$0.005 per minute of use for each local call transited by a third party tandem provider plus an LNP query charge with a surcharge above costs for each call.

Rerouting pooled traffic through a common access Tandem switch default alternative quickly becomes expensive because ALL pooled traffic would need to be routed to a LNP capable



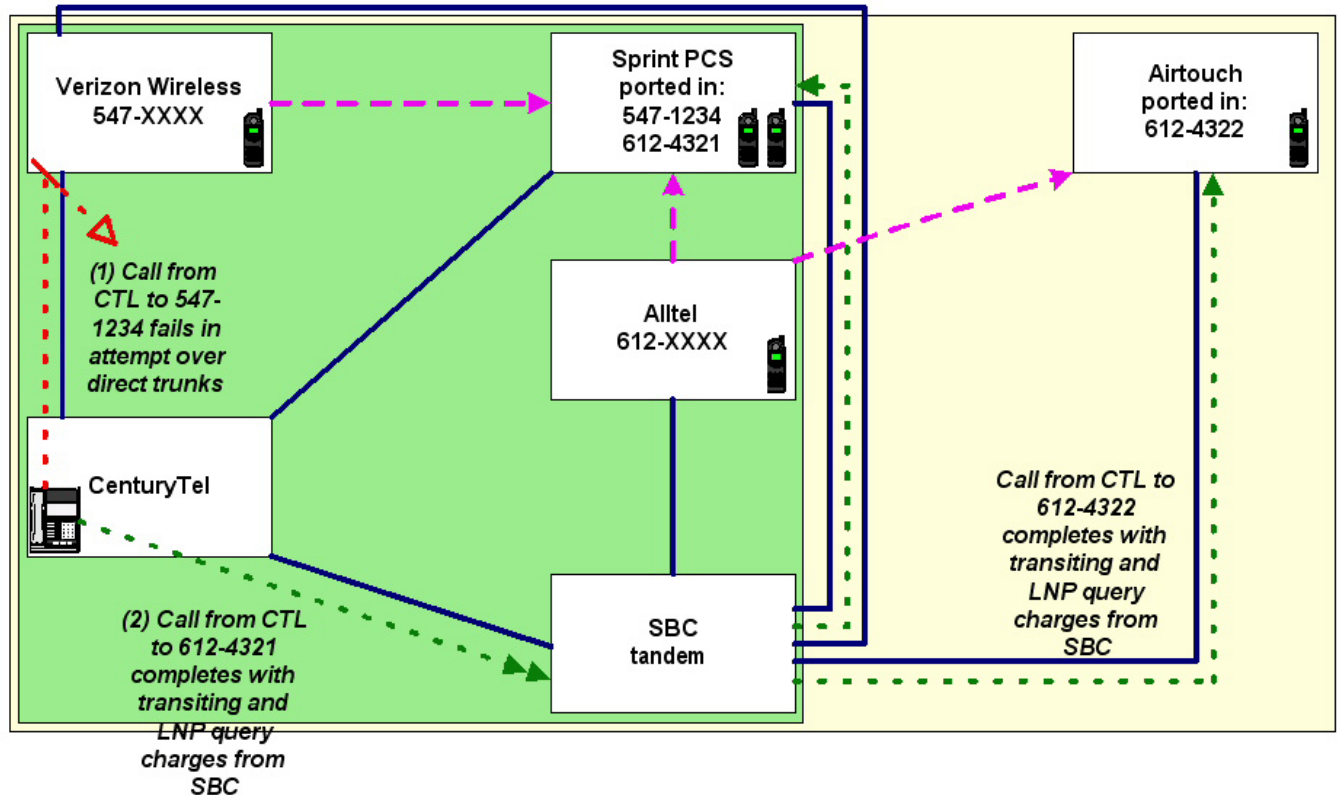
tandem.

### **CenturyTel's Recommendation**

**NeuStar should be required to acknowledge FCC Orders on LNP and pooling exemptions and to not make assignments that are contrary to those Orders.**

October 17, 2003

## Routing Possibilities based on a non-portable LEC in the middle of a portable wireless network



### LEGEND

- ➡ Ported Number
- Direct Trunks
- ➡ Completed Call
- ➡ Failed Call

(1) Call Scenario 1 - Call from CTL customer to a ported wireless customer who has an NXX of a signal partner with direct trunks to us.

(2) Call Scenario 2 - Call from CTL customer to a ported wireless customer who has an NXX currently completing over a tandem relationship (no direct trunk group to NXX owner).

Location Porting Call Scenario - Call from CTL customer to a wireless customer whose NXX is local to our rate center, but ported out of our rate center and completing over a **tandem**.